

May 30, 2000

Bonneville Power Administration

PO Box 12999 Portland, OR 97212

SUBJECT: PS-6: Good Corporate Citizenship Clause

Dear Bonneville Power Administration:

We are writing to offer comments on Bonneville's proposed Good Corporate Citizenship Clause. Since Governor Locke has written in strong support of the concept in his letter of February 24, 2000 (see enclosed) we will focus on two technical and implementation issues.

First, in section (1)(a) BPA needs to clarify what "affiliate(s)" means. How broadly should "affiliate" be construed? Does BPA intend that a Bonneville direct service customer could be held accountable if any company, anywhere in the world, that is part of the same overall management or ownership structure of that Bonneville customer failed to meet the test for "good corporate citizenship?" While we are not sure where to draw a line, we think that priority should be given to violations that affect the Pacific Northwest.

Second, we don't understand the sentence in section (2), paragraph 1, which states: "BPA shall base its decision solely on the information provided by the Complainant." It seems unusual to base any decision only on information supplied by one party in a case. We think that the customer should have an adequate opportunity to respond to the complainant at each stage of the process.

Overall, BPA is on the right track in trying to establish a Good Corporate Citizenship Clause. The process has a better chance of succeeding if the guidelines are clear, fair and fully understood by all participants.

Sincerely,

Dave Warren Director, Energy Division

cc: Dave Danner, WA State Office of Financial Management
Tom Karier, Northwest Power Planning Council
Howard Schwartz, Energy Division, OTED